



Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

POWER BUSINESS LINE

August 15, 2002

In reply refer to: PT-5

Mr. Donald N. Furman
Senior Vice President
PacifiCorp
825 NE Multnomah Street, 600
Portland, OR 97232

AUTHENTICATED

Re: Contract 02PB-11157, Conditional Deferral of Reduction of Risk Discount Amount (Agreement)

Dear Mr. Furman:

The parties intend that Section 4 of the Agreement read as follows:

4. Any comprehensive final settlement agreement entered into by PacifiCorp and BPA Preference Utilities of litigation relating to Contract No. 01PB-12229 or the Financial Settlement Agreement that is concluded successfully to PacifiCorp's satisfaction shall include PacifiCorp's and BPA's agreement that, unless such settlement is successfully challenged or otherwise is determined to be invalid or unenforceable:
 - (a) the monthly amount paid to PacifiCorp pursuant to the Financial Settlement Agreement, after the agreements successfully concluding such litigation are entered into and become effective, shall equal \$6,962,740 (\$6,981,876 during a leap year) and
 - (b) all amounts that have been deferred pursuant to section 1 above and that have not then been paid to PacifiCorp shall not be paid to PacifiCorp.

In no event shall any amount paid by BPA to PacifiCorp pursuant to section 4(b) of the Financial Settlement Agreement be refunded to BPA.

This reflects one small correction to the text. A period was replaced by a colon at the end of the first paragraph. If you agree with this edit, please sign the concurrence line below and return the signed copy to me.

Sincerely,

/S/ MARK E. MILLER

Mark E. Miller
Account Executive

CONCUR:

PACIFICORP

By **/S/ DONALD N. FURMAN**

Name **Donald N. Furman**
(Print/Type)

Title **Sr. VP Regulation & External Affairs**

Date **August 19, 2002**

cc:

K. Casad - LP-7

L. Kitchen - PT-5

CCIS – PTS-5

Official File - PT (PM-11)

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